

**THE AMERICAN ANTI-VIVISECTION
SOCIETY**
Consolidated Financial Report
December 31, 2025 and 2024

THE AMERICAN ANTI-VIVISECTION SOCIETY
December 31, 2025 and 2024

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Independent Auditors' Report

To the Board of Managers
The American Anti-Vivisection Society
Jenkintown, Pennsylvania

Opinion

We have audited the consolidated financial statements of The American Anti-Vivisection Society and its subsidiary, Alternatives Research and Development Foundation (the Organizations), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organizations as of December 31, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We are required to be independent of the Organizations and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 29 through 40 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets and cash flows of the individual organizations, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

DunlapSLK, PC

Chalfont, Pennsylvania
April 20, 2026

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidated Statements of Financial Position
December 31, 2025 and 2024

	2025	2024
Assets		
Cash and Cash Equivalents	\$ 5,885,416	\$ 5,660,501
Estates and Trusts Receivable	322,659	213,845
Prepaid Expenses	110,269	82,112
Property and Equipment, Net	13,898	25,593
Right of Use Assets, Operating Leases	214,830	346,572
Long-Term Investments	48,401,308	46,106,791
Beneficial Interest in Perpetual Trusts	2,138,463	1,959,602
Total Assets	\$ 57,086,843	\$ 54,395,016
 Liabilities and Net Assets		
Liabilities		
Accounts Payable	\$ 41,454	\$ 19,758
Other Payable	5,452	3,069
Accrued Compensation and Related Items	55,619	50,000
Deferred Dues Revenue	-	99,060
Operating Lease Obligations	214,830	346,572
Grants Payable	1,628,779	1,696,297
Gift Annuities Payable	43,960	46,582
Total Liabilities	1,990,094	2,261,338
 Net Assets		
Without Donor Restrictions	50,381,998	47,710,601
With Donor Restrictions	4,714,751	4,423,077
Total Net Assets	55,096,749	52,133,678
Total Liabilities and Net Assets	\$ 57,086,843	\$ 54,395,016

See notes to consolidated financial statements.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidated Statement of Activities
Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Support			
Bequests	\$ 762,291	\$ -	\$ 762,291
Contributions and Grants	523,098	129,541	652,639
Income from Long-Term Investments	577,828	56,177	634,005
Investment Income from Perpetual Trusts	64,448	61,500	125,948
Dues	252,720	-	252,720
Gains on Long-Term Investments	3,573,899	47,699	3,621,598
Gains on Beneficial Interests In Perpetual Trusts	-	151,361	151,361
Other Income	143,001	-	143,001
Net Assets Released from Donor Restrictions			
Satisfaction of Purpose Restrictions	154,604	(154,604)	-
Total Revenues and Support	6,051,889	291,674	6,343,563
Expenses			
Program Services			
Campaigns and Outreach	1,077,551	-	1,077,551
Animalearn	309,745	-	309,745
Leaping Bunny	472,340	-	472,340
Alternatives Research	751,037	-	751,037
Total Program Services	2,610,673	-	2,610,673
Support Services			
General and Administrative	309,623	-	309,623
Fundraising	460,196	-	460,196
Total Support Services	769,819	-	769,819
Total Expenses	3,380,492	-	3,380,492
Change in Net Assets	2,671,397	291,674	2,963,071
Net Assets			
Beginning of Year	47,710,601	4,423,077	52,133,678
End of Year	\$ 50,381,998	\$ 4,714,751	\$ 55,096,749

See notes to consolidated financial statements.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidated Statement of Activities
Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Support			
Bequests	\$ 591,694	\$ -	\$ 591,694
Contributions and Grants	427,889	1,308,366	1,736,255
Income from Long-Term Investments	523,591	22,505	546,096
Investment Income from Perpetual Trusts	59,377	33,000	92,377
Dues	198,827	-	198,827
Gains on Long-Term Investments	4,979,793	39,393	5,019,186
Gains on Beneficial Interests In Perpetual Trusts	-	118,764	118,764
Other Income	136,454	-	136,454
Net Assets Released from Donor Restrictions			
Satisfaction of Purpose Restrictions	150,080	(150,080)	-
Total Revenues and Support	7,067,705	1,371,948	8,439,653
Expenses			
Program Services			
Campaigns and Outreach	1,475,624	-	1,475,624
Animalearn	270,122	-	270,122
Leaping Bunny	465,620	-	465,620
Alternatives Research	648,559	-	648,559
Total Program Services	2,859,925	-	2,859,925
Support Services			
General and Administrative	274,318	-	274,318
Fundraising	404,652	-	404,652
Total Support Services	678,970	-	678,970
Total Expenses	3,538,895	-	3,538,895
Change in Net Assets	3,528,810	1,371,948	4,900,758
Net Assets			
Beginning of Year	44,181,791	3,051,129	47,232,920
End of Year	\$ 47,710,601	\$ 4,423,077	\$ 52,133,678

See notes to consolidated financial statements.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidated Statement of Functional Expenses
Year Ended December 31, 2025

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Grants and Contributions	\$ 850,677	\$ -	\$ -	\$ 850,677
Salaries and Related Expenses	797,377	180,687	183,697	1,161,761
Professional Services and Consultants	458,212	63,657	10,125	531,994
Occupancy and Related Expenses	127,479	20,388	15,784	163,651
General Operating Expenses	85,103	44,315	40,215	169,633
Communications and Educational Materials	171,002	436	154,214	325,652
Conferences and Travel	83,143	-	-	83,143
Postage and Shipping	37,680	140	56,161	93,981
Total	<u>\$ 2,610,673</u>	<u>\$ 309,623</u>	<u>\$ 460,196</u>	<u>\$ 3,380,492</u>

See notes to consolidated financial statements.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidated Statement of Functional Expenses
Year Ended December 31, 2024

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Grants and Contributions	\$ 1,327,821	\$ -	\$ -	\$ 1,327,821
Salaries and Related Expenses	668,308	167,716	162,996	999,020
Professional Services and Consultants	365,122	65,159	3,975	434,256
Occupancy and Related Expenses	108,150	19,607	15,180	142,937
General Operating Expenses	84,262	21,261	37,523	143,046
Communications and Educational Materials	171,021	412	134,620	306,053
Conferences and Travel	76,191	-	-	76,191
Postage and Shipping	59,050	163	50,358	109,571
Total	<u>\$ 2,859,925</u>	<u>\$ 274,318</u>	<u>\$ 404,652</u>	<u>\$ 3,538,895</u>

See notes to consolidated financial statements.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Change in Net Assets	\$ 2,963,071	\$ 4,900,758
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities		
Depreciation	11,695	15,174
Gains on Long-Term Investments	(3,621,598)	(5,019,186)
Gains on Beneficial Interests in Perpetual Trusts	(151,361)	(118,764)
Operating Lease Expense	131,742	130,578
Change in Assets and Liabilities		
(Increase) Decrease in		
Receivables From Estates and Trusts	(108,814)	27,477
Prepaid Expenses	(28,157)	(7,237)
Increase (Decrease) in		
Accounts Payable	21,696	(8,260)
Other Payable	2,383	3,069
Accrued Compensation and Related Items	5,619	7,176
Deferred Dues Revenue	(99,060)	(19,648)
Grants Payable	(67,518)	297,592
Operating Lease Obligation	(131,742)	(130,578)
Gift Annuities Payable	(2,622)	(2,824)
Net Cash Provided by (Used in) Operating Activities	(1,074,666)	75,327
Cash Flows from Investing Activities		
Purchase of Property and Equipment	-	(9,764)
Proceeds from Sale and Maturities of Investments	13,329,181	11,961,490
Purchase of Investments	(12,002,100)	(10,713,069)
Contribution of Beneficial Interest in Perpetual Trust	(27,500)	(5,000)
Net Cash Provided by Investing Activities	1,299,581	1,233,657
Net Increase in Cash and Cash Equivalents	224,915	1,308,984
Cash and Cash Equivalents		
Beginning of Year	5,660,501	4,351,517
End of Year	\$ 5,885,416	\$ 5,660,501

See notes to consolidated financial statements.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Supplemental Disclosure of Cash Flow Information		
Cash Paid for Amounts Included in Operating Lease Obligation	\$ 143,370	\$ 136,009
Supplemental Schedule of Noncash Investing and Financing Activities		
Right-of-Use Asset Obtained in Exchange for New Operating Lease Obligation	\$ -	\$ 386,298

See notes to consolidated financial statements.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

1. NATURE OF ORGANIZATION AND RELATIONSHIPS

The American Anti-Vivisection Society (Society) is a not-for-profit organization incorporated under the laws of the Commonwealth of Pennsylvania formed for charitable and educational purposes and for the prevention of cruelty to animals, particularly to educate the general public about vivisection, alternatives to vivisection and with the goal of abolishing vivisection.

Alternatives Research and Development Foundation (Foundation) is a not-for-profit organization incorporated under the laws of the Commonwealth of Pennsylvania. The purpose of the Foundation is to support the development and utilization of alternatives to the use of animals in biomedical research, testing and education, through provision of research grants and awards and expert information to scientists, media, government agencies and advocacy groups.

Substantially all of The American Anti-Vivisection Society and Alternatives Research and Development Foundation (collectively referred to as Organizations) activities are conducted within the United States, although the Organizations occasionally may provide grants or other financial support to foreign persons or organizations. A majority of the Society's membership resides in the United States. The Organizations' administrative offices are located in Jenkintown, Pennsylvania.

Basis of Consolidation

The consolidated financial statements of The American Anti-Vivisection Society and the Alternatives Research and Development Foundation are consolidated due to common control and economic interests. The individual entities have the same Board of Directors (Managers) and share facilities and equipment. The Society has legal control over the Foundation. All intercompany balances and transactions have been eliminated in consolidation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The consolidated financial statements of the Organizations have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned, and expenses are recognized when incurred.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation

Accounting standards prescribe display standards for general-purpose financial statements for all not-for-profit organizations. These standards require the Organizations to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organizations. These net assets may be used at the discretion of the Organizations' management and Board of Managers.

Net Assets With Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of the Organizations or by the passage of time. Other donor restrictions may be perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities.

Measure of Operations

The consolidated statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organizations' ongoing program services, and the interest and dividends earned on cash balances. Nonoperating activities are limited to resources that generate return on investments and other activities considered to be of a more unusual or nonrecurring in nature.

Contributions

Contributions, including unconditional promises to give, bequests and beneficial interests in perpetual trusts, are recorded as revenue when received. Contributions are considered to be available for unrestricted use unless they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from purpose or time restrictions.

Contributed Services

A significant portion of the Organizations' functions are conducted by unpaid volunteer officers and members. The value of this contributed time is not reflected in the accompanying consolidated financial statements because it does not meet the criteria necessary for recognition.

Cash and Cash Equivalents

The Organizations' cash accounts are maintained in one commercial bank. The amount on deposit may exceed the federally insured limit. The Organizations have not experienced any losses in such accounts. The Organizations believe they are not exposed to any significant credit risk on cash. For purposes of the statement of cash flows, the Organizations consider all highly liquid investments with an initial maturity of 90 days or less to be cash equivalents.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Long-term investments consist of marketable securities and are recorded at estimated fair value as determined by quoted market values. Investment gains and losses are included in the change in net assets in the accompanying consolidated statement of activities.

The assets of perpetual and other charitable trusts consist principally of marketable securities. The Organizations' beneficial interests in these various trusts are recorded at estimated fair values.

Fair Value Measurements

Accounting principles generally accepted in the United States of America establish a fair value hierarchy that is based on the valuation inputs used in the fair value measurements. Measurements using quoted prices in active markets for identical assets and liabilities fall within Level 1 of the hierarchy; measurements using significant other observable inputs fall within Level 2; and measurements using significant unobservable inputs within Level 3.

Estates and Trusts Receivable

Receivables from estates and trusts are recorded in the year the Organizations are notified the associated will is valid and has been admitted to probate, and an estimated value is provided by an executor. No credit losses were considered necessary as of December 31, 2025 and 2024, based on historical experience, current conditions, and reasonable and supportable forecasts.

Furniture and Equipment

Furniture and equipment are stated at cost. Major replacements and betterments are capitalized while maintenance and repairs are expensed as incurred. It is the policy of the Organizations to capitalize any property and equipment over \$1,000. Lesser amounts are expensed. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. The estimated useful lives of furniture and equipment are 3-7 years.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition and Deferred Dues Revenue

Dues are recognized as revenue over the applicable term of the membership. Life memberships are recorded as revenue when received. The members pay dues in exchange for a defined set of benefits. The unsatisfied or partially unsatisfied performance obligations are primarily related to distribution of a bi-monthly newsletter at the end of the reporting period. The performance obligations for these membership benefits are evenly distributed throughout the year. The Society believes that this method provides a faithful depiction of the transfers of services over the term of the defined performance obligations based on the inputs needed to satisfy the obligation. As of January 1, 2025 dues are recognized as revenue when received due to no exchange for a defined set of benefits.

Deferred dues revenue activity for the years ended December 31 was as follows:

	Balance December 31, 2024	Refunds Issued	Revenue Recognized Included in December 31, 2024 Balance	Cash Received in Advance of Performance	Balance December 31, 2025
Deferred Dues Revenue	\$ 99,060	\$ -	\$ 99,060	\$ -	\$ -

	Balance December 31, 2023	Refunds Issued	Revenue Recognized Included in December 31, 2023 Balance	Cash Received in Advance of Performance	Balance December 31, 2024
Deferred Dues Revenue	\$ 118,708	\$ -	\$ 118,708	\$ 99,060	\$ 99,060

The Organizations apply the practical expedient in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606-10-50-14 and, therefore, does not disclose information about remaining performance obligations that have original durations of one year or less.

The amount of contract assets and liabilities at January 1, 2024, was as follows:

Receivable from Estates and Trusts	\$241,322
Deferred Dues Revenue	\$118,708

Grants Payable

Grants payable represent grants awarded to other organizations. Grants payable over multiple years are discounted at prevailing interest rates. Grants involving estimates of expenses reimbursable over multiple years include an annual inflation rate based upon current market conditions. Unexpended balances of grants awarded to other organizations are required to be returned. Refunds to the Organizations are recorded when the amount of refund due becomes known, normally when a final accounting by the grantee is submitted.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Tax Status

The Organizations are qualified, not-for-profit organizations under Section 501(c) (3) of the Internal Revenue Code. Accordingly, the Organizations are exempt from federal and state income taxes. The Organizations did not have any unrelated business income for the years ended December 31, 2025 and 2024, that would be subject to federal or state income taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

The Organizations account for uncertainty in income taxes using a recognition threshold of more-than-likely-than-not to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainties occurs if the recognition threshold is met. Management determined there were no tax uncertainties that met the recognition threshold in 2025.

The Organizations' Forms 990 – *Federal Return of Organization Exempt from Income Tax* – for the previous three years remains subject to examination by the Internal Revenue Service.

Advertising

Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2025 and 2024, was \$31,338 and \$43,373, respectively.

Functional Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. An analysis of expenses by both function and natural classification is provided on the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among program, general and administrative and fundraising functions. The expenses that are allocated include salaries, payroll taxes and employee benefits, which are allocated by department, and estimated time and effort, as well as, occupancy, telecommunications, printing and copying, which are allocated, based upon approximate square footage and patterns of use.

Risks and Uncertainties

The Organizations' future results of operations involve a number of risks and uncertainties. Factors that could affect the Organizations' future operating results and cause actual results to vary materially from expectations include, but are not limited to, dependence on key personnel, general economic conditions, reliance on public support and the performance of their long-term investments.

Concentrations of Credit Risk

The Organizations' principal financial instruments subject to credit risk are their cash, cash equivalents, investments and receivables. Fixed income securities are also exposed to interest rate risk. Receivables result primarily from unconditional promises to give, including bequests and other contributions.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

3. AVAILABILITY AND LIQUIDITY

Financial assets available for general expenditures, that is, without donor restrictions limiting their use within one year of December 31, 2025, comprised the following:

Financial Assets at Period End	
Cash and Cash Equivalents	\$ 5,885,416
Receivables from Estates and Trusts	<u>322,659</u>
Financial Assets Available to Meet General Expenditures Over the Next Year	<u>\$ 6,208,075</u>

As of December 31, 2025 and 2024, the Organizations held liquid assets on hand to cover their operating expenses for 635 and 583 days, respectively. The Organizations' practice is to structure their financial assets to be available as their general expenditures, liabilities and other obligations come due. The Organizations' long-term investments consisted of quasi-endowment funds of \$47,638,821 and \$45,394,220 as of December 31, 2025 and 2024, respectively. As described in Note 11, the quasi-endowment has a spending rate of up to 5%. Approximately \$2,100,000 of appropriations from the quasi-endowment will be available within the next 12 months. In the event of an emergency or other financial need, the Board, at its discretion, could expend the quasi-endowed funds.

4. RECEIVABLES FROM ESTATES AND TRUSTS

The Organizations are the beneficiaries of numerous estates and testamentary trusts. In general, the Organizations' policy is to record the receivable from an estate or trust in the year the Organizations are notified and associated will is valid and has been admitted to probate and an estimated value is provided by an executor.

5. FAIR VALUE MEASUREMENT

The Organizations use fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in some instances, there are no quoted market prices for certain financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

5. FAIR VALUE MEASUREMENT (continued)

Fair value accounting guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment. The fair value is a reasonable point within range that is most representative of fair value under current market conditions.

The fair value hierarchy prioritizes the inputs to valuation methods used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are as follows:

- | | |
|---------|---|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organizations have the ability to access. |
| Level 2 | Inputs to the valuation methodology include: <ul style="list-style-type: none">• quoted prices for similar assets or liabilities in active markets;• quoted prices for identical or similar assets or liabilities in inactive markets;• inputs other than quoted prices that are observable for the asset or liability;• inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability. |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2025 and 2024.

Marketable equity securities: Valued using quoted market prices for the identical securities.

Marketable debt securities: Valued based on quoted market prices for the identical security, however, quoted market prices may vary for a variety of reasons, including the number of market makers and the volume of identical securities traded on the date of valuation. If an identical security is not traded on the valuation date, estimated fair value may be determined by using other significant observable inputs, such as quoted prices for similar securities.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
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5. FAIR VALUE MEASUREMENT (continued)

Mutual funds: Valued based on net asset value which is generally determined by the quoted market values of the underlying marketable securities owned.

Beneficial interest in perpetual trust: Valued based on the present value of estimated future cash inflows and the Organizations' percentage interest in the trust asset. This asset is included as Level 3 fair value, and is measured at fair value on a recurring basis based upon the lowest level of input that is significant to the fair value of measurement.

For financial assets measured at fair value on a recurring basis, the fair value measurements by level within the hierarchy used at December 31, 2025 and 2024, were as follows:

	December 31, 2025			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash Equivalents	\$ 3,833,292	\$ 3,833,292	\$ -	\$ -
U.S. Equities	31,069,344	31,069,344	-	-
International Equities	2,322,221	2,322,221	-	-
Mutual Funds, Equity	1,065,219	1,065,219	-	-
Mutual Funds, Fixed Income	771,553	771,553	-	-
U.S. Corporate Debentures	6,527,212	-	6,527,212	-
U.S. Treasury Securities and Bonds	2,812,467	-	2,812,467	-
Total Endowment Investments	<u>48,401,308</u>	<u>39,061,629</u>	<u>9,339,679</u>	<u>-</u>
Contribution Receivable				
Beneficial Interest in Perpetual Trust	<u>2,138,463</u>	<u>-</u>	<u>-</u>	<u>2,138,463</u>
Total	<u>\$ 50,539,771</u>	<u>\$ 39,061,629</u>	<u>\$ 9,339,679</u>	<u>\$ 2,138,463</u>
	December 31, 2024			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash Equivalents	\$ 3,254,712	\$ 3,254,712	\$ -	\$ -
U.S. Equities	31,673,722	31,673,722	-	-
International Equities	824,013	824,013	-	-
Mutual Funds, Equity	947,269	947,269	-	-
Mutual Funds, Fixed Income	555,426	555,426	-	-
U.S. Corporate Debentures	6,307,423	-	6,307,423	-
U.S. Treasury Securities and Bonds	2,544,226	-	2,544,226	-
Total Endowment Investments	<u>46,106,791</u>	<u>37,255,142</u>	<u>8,851,649</u>	<u>-</u>
Contribution Receivable				
Beneficial Interest in Perpetual Trust	<u>1,959,602</u>	<u>-</u>	<u>-</u>	<u>1,959,602</u>
Total	<u>\$ 48,066,393</u>	<u>\$ 37,255,142</u>	<u>\$ 8,851,649</u>	<u>\$ 1,959,602</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

5. FAIR VALUE MEASUREMENT (continued)

The following table sets forth a summary of changes in fair value of the Organizations' Level 3 assets for the years ended December 31, 2025 and 2024.

	<u>2025</u>	<u>2024</u>
Beginning Value	\$ 1,959,602	\$ 1,835,838
Contribution Received	27,500	5,000
Net Realized and Unrealized Gains	<u>151,361</u>	<u>118,764</u>
Ending Value	<u>\$ 2,138,463</u>	<u>\$ 1,959,602</u>

6. LONG-TERM INVESTMENTS

Long-term investments are carried at fair value in the statements of financial position and realized and unrealized gains and losses are reflected in the statements of activities.

Fair values of long-term investments by net asset classification as of December 31 were as follows:

	<u>2025</u>	<u>2024</u>
Without Donor Restrictions	\$ 47,638,821	\$ 45,394,221
With Donor Restrictions	<u>762,487</u>	<u>712,570</u>
	<u>\$ 48,401,308</u>	<u>\$ 46,106,791</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

6. LONG-TERM INVESTMENTS (continued)

Long-term investments as of December 31 were as follows:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Cash Equivalents	\$ 3,833,290	\$ 3,833,292	\$ 3,246,898	\$ 3,254,712
U.S. Equities	18,425,336	31,069,344	19,163,484	31,673,722
International Equities	1,740,635	2,322,221	692,633	824,013
Mutual Funds, Equity	844,035	1,065,219	677,865	947,269
Mutual Funds, Fixed Income	760,512	771,553	686,980	555,426
U.S. Corporate Debentures	6,324,766	6,527,212	6,391,479	6,307,423
U.S. Treasury Securities and Bonds	2,769,438	2,812,467	2,589,614	2,544,226
Total Investments	<u>\$ 34,698,012</u>	<u>\$ 48,401,308</u>	<u>\$ 33,448,953</u>	<u>\$ 46,106,791</u>

The relationship between cost and fair values of long-term investments for the years ended December 31 were as follows:

	Fair Value	Cost	Excess Fair Value Over Cost
Long-Term Investment, 2025	\$ 48,401,308	\$ 34,698,012	\$ 13,703,296
Long-Term Investment, 2024	46,106,791	33,448,953	<u>12,657,838</u>
Unrealized Gains, Net			1,045,458
Realized Gains, Net			<u>2,576,140</u>
Total Investment Gains, Net			<u>\$ 3,621,598</u>

The average annual yield based on the fair value of cash equivalents and long-term investments (net of investment expenses) was approximately 0.8% and 0.11%, and the annual total return, including realized and unrealized gains and losses was approximately 12.8% and 20.8%, for the years ended December 31, 2025 and 2024, respectively.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

7. PROPERTY AND EQUIPMENT

The detail of property and equipment as of December 31 was as follows:

	2025	2024
Furniture and Equipment	\$ 280,059	\$ 280,059
Less Accumulated Depreciation	(266,161)	(254,466)
Property and Equipment, Net	\$ 13,898	\$ 25,593

Depreciation expense totaled \$11,695 and \$15,174 for the years ended December 31, 2025 and 2024, respectively.

8. BENEFICIAL INTEREST IN PERPETUAL TRUSTS

The Society receives income without donor restriction from various perpetual trusts held by third parties. The Society's beneficial interests in these trusts are recorded at their estimated fair values of \$1,672,257 and \$1,530,250 as of December 31, 2025 and 2024, respectively. The Society's average annual yield on the estimated fair value of its beneficial interests in these trusts was approximately 8.87% and 7.05% for the years ended December 31, 2025 and 2024, respectively. The estimated fair value of these beneficial interests is described in Note 5.

The Foundation receives income without donor restriction from a perpetual trust held by a third party. As of December 31, 2025 and 2024, the estimated fair value of the Foundation's beneficial interest in the trust is \$466,206 and \$429,352, respectively, and is considered donor-restricted in perpetuity. The Foundation's average annual yield on the estimated fair value of its beneficial interest in the perpetual trust was approximately 8.23% and 3.50% for the years ended December 31, 2025 and 2024, respectively.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

9. GRANTS PAYABLE

During 2013, the Society made a grant to another not-for-profit organization. The grant represents a portion of the expenses to care for seven chimpanzees for the remainder of their lifetimes. As of December 31, 2025 and 2024, the chimpanzees' ages range from thirteen to fifteen years, and twelve to fourteen years of age, respectively, and have remaining life expectancies ranging from 45 to 47 years and 46 to 48 years, respectively. Annual expense inflation has been assumed at 2.7% and 3.0%, respectively, and the estimated payments have been discounted at 4.5% for both years December 31, 2025 and 2024. As of December 31, 2025 and 2024, the outstanding balance of the grant is \$1,620,867 and \$1,696,297, respectively. Additionally, as of December 31, 2025 and 2024, the Society had grants payable of \$7,912 and \$0, respectively.

Future estimated grant payments as of December 31 were as follows:

	<u>2025</u>	<u>2024</u>
Due in Less Than One Year	\$ 56,125	\$ 49,695
Due in One to Five Years	263,665	271,751
Due in Five to Ten Years	<u>4,263,675</u>	<u>4,585,607</u>
	4,583,465	4,907,053
Less Discount to Net Present Value	<u>(2,954,686)</u>	<u>(3,210,756)</u>
Grant Payable	<u>\$ 1,628,779</u>	<u>\$ 1,696,297</u>

The components of grant expenses as of December 31 were as follows:

	<u>2025</u>	<u>2024</u>
Gross Grant Payments	\$ 392,211	\$ 571,094
Adjustment on Present Value of Chimp Haven Liability	<u>25,735</u>	<u>343,122</u>
American Anti-Vivisection Society Grant Expense, Net Alternatives Research Development Foundation	417,946	914,216
Grant Expense	<u>432,731</u>	<u>413,605</u>
Grants Expense	<u>\$ 850,677</u>	<u>\$ 1,327,821</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

10. NET ASSETS

Net assets without donor restrictions are available for the following purposes at December 31 were as follows:

	<u>2025</u>	<u>2024</u>
Society:		
Undesignated	\$ 2,292,273	\$ 1,742,388
Board Designated Endowment	<u>33,351,028</u>	<u>31,343,930</u>
	<u>35,643,301</u>	<u>33,086,318</u>
Foundation:		
Undesignated	450,804	573,993
Board Designated Endowment	<u>14,287,793</u>	<u>14,050,290</u>
	<u>14,738,597</u>	<u>14,624,283</u>
 Total	 <u>\$ 50,381,898</u>	 <u>\$ 47,710,601</u>

Net assets with donor restrictions are available for the following purposes at December 31 were as follows:

	<u>2025</u>	<u>2024</u>
Society:		
Beneficial Interest in Perpetual Trust		
Direct Benefit of Animals	\$ 407,571	\$ 375,341
Undesignated Activities	1,264,686	1,154,909
Endowments		
Direct Benefit of Animals	188,988	188,478
Undesignated Activities	<u>573,499</u>	<u>524,093</u>
	<u>2,434,744</u>	<u>2,242,821</u>
Foundation:		
Subject to Expenditure for Specific Purpose		
Alternatives Award Programs	1,813,801	1,750,904
Beneficial Interest in Perpetual Trust	<u>466,206</u>	<u>429,352</u>
	<u>2,280,007</u>	<u>2,180,256</u>
 Total	 <u>\$ 4,714,751</u>	 <u>\$ 4,423,077</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

10. NET ASSETS (continued)

For the years ended December 31, 2025 and 2024, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows:

	2025	2024
Satisfaction of Purpose Restrictions		
Direct Benefit of Animals	\$ 43,194	\$ 36,487
Undesignated Activities	79,723	103,593
Alternatives Award Programs	31,687	10,000
Total Net Assets Released from Purpose Restrictions	\$ 154,604	\$ 150,080

11. ENDOWMENT FUNDS

The Society's endowment consists of three individual funds, one established for the direct benefit of animals and two for general purposes. Long-term investments include both donor-restricted endowment funds and funds that function as endowments (quasi-endowment). Net assets associated with endowment funds, including funds designated by the Board of Managers to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation does not have any formal endowment funds; its donor-restricted net assets consist of a beneficial interest in a perpetual trust held by a third party and long-term investments.

Interpretation of Relevant Law

Pennsylvania law requires the historical dollar amount of a donor-restricted endowment fund to be preserved. In the absence of donor restrictions, the net appreciation on a donor-restricted endowment fund is spendable under Pennsylvania law. The Organizations' donors have not placed restrictions on the use of the net appreciation resulting from the donor-restricted endowment funds. As a result of this interpretation, the Organizations classify as perpetually restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in perpetually restricted net assets is classified as net assets with restrictions until those amounts are appropriated for expenditure by the Organizations.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

11. ENDOWMENT FUNDS (continued)

The following schedule presents the changes in all net assets attributable to endowment and funds functioning as endowment funds for the years ended December 31:

December 31, 2025	Without Donor Restrictions	With Donor Restrictions	Total
Endowment and Similar Net Assets, Beginning of Year	\$ 45,394,220	\$ 712,571	\$ 46,106,791
Investment Return			
Investment Income, Net	486,471	11,593	498,064
Investment Gains, Net	3,573,899	47,699	3,621,598
Total Investment Return	4,060,370	59,292	4,119,662
Transfers for Restricted Purposes	-	(9,376)	(9,376)
Appropriation of Expenditures, Spending Rate	(1,815,769)	-	(1,815,769)
Endowment and Similar Net Assets, End of Year	<u>\$ 47,638,821</u>	<u>\$ 762,487</u>	<u>\$ 48,401,308</u>
December 31, 2024	Without Donor Restrictions	With Donor Restrictions	Total
Endowment and Similar Net Assets, Beginning of Year:	\$ 41,665,423	\$ 670,603	\$ 42,336,026
Investment Return:			
Investment Income, Net	473,776	11,289	485,065
Investment Gains, Net	4,979,793	39,393	5,019,186
Total Investment Return	5,453,569	50,682	5,504,251
Transfers for Restricted Purposes	-	(8,714)	(8,714)
Appropriation of Expenditures, Spending Rate	(1,724,772)	-	(1,724,772)
Endowment and Similar Net Assets, End of Year	<u>\$ 45,394,220</u>	<u>\$ 712,571</u>	<u>\$ 46,106,791</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

11. ENDOWMENT FUNDS (continued)

Funds With Deficiencies

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or law. There were no such deficiencies reported at December 31, 2025 and 2024.

Investment Return Objectives, Risk Parameters and Strategies

The Organizations have adopted investment and spending policies for its quasi-endowment funds that attempt to provide a predictable stream of funding to support the Foundation's program supported by its quasi-endowment while seeking to maintain the purchasing power of its quasi-endowment assets. Under the spending policy, as approved by the Board of Managers, the investments are invested in a manner that is intended to produce results that meet or exceed the performance of the S&P 500 index, while assuming a level of investment risk acceptable to the Board of Managers.

Spending Policies

The Organizations have a policy of appropriating income from quasi-endowment investments as needed, but not in excess of the spending policy. The spending policy is to distribute up to 5.0 percent of a moving three year average as of December 31 based on the fair value quasi-endowment funds. The amount needed to fund the distributions is first taken from the accumulated excess earnings from prior years, then from the accumulated unexpended net appreciation of quasi-endowment funds and, conversely, any undistributed income after the allocation of the total return distribution is added back to the quasi-endowment assets balance of cumulative net unexpended gains. Over the long term, the Foundation expects the current spending policy to allow its quasi-endowments to grow at an average of 4.0 percent annually. This is consistent with the Foundation's objective to maintain the purchasing power of its quasi-endowment assets held for a specified term as well as to provide additional real growth through new gifts and investment return.

12. LEASES

The Society leases its office space under the terms of a noncancelable lease agreement which expired July 31, 2024. The lease was renewed on August 1, 2024 and expires July 31, 2027. Lease payments are increased as of every January 1st of each calendar year after the initial term based on a factor of the Consumer Price Index. The minimum annual rent shall be increased as of the commencement of the second full calendar year. Leases with an initial term of 12 months or less are not recorded on the consolidated statement of financial position and expenses for these leases are recognized on a straight-line basis over the lease term as an operating expense. At December 31, 2025 and 2024, occupancy expense was \$163,651 and \$142,937, respectively.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

12. LEASES (continued)

Future minimum payments under operating leases as of December 31, 2025, were as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2026	\$ 140,222
2027	<u>81,775</u>
	221,997
Less Interest Portion	<u>(7,167)</u>
Lease Obligation	<u><u>\$ 214,830</u></u>

Lease Obligations

The following table includes supplemental lease information as of December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Weighted-average remaining lease term	1.6 Years	2.6 Years
Weighted-average discount rate	3.96%	3.96%

13. RETIREMENT PLAN

The Society sponsors a Savings Incentive Match Plan for Employees (SIMPLE) 401(k) plan covering substantially all employees. A SIMPLE is a qualified defined contribution retirement plan for small employers that allows eligible employees to defer compensation on a pre-tax basis, and requires the employer to make either matching contributions for eligible employees who elect to participate, or nonelective contributions for all eligible employees (including those who do not elect to participate but meet eligibility requirements).

Eligible employees of the Society and Foundation have established individual accounts with a qualified plan custodian and are 100 percent vested in their account balances. The amount of expense recognized from employer contributions to the employees' SIMPLE 401(k) accounts for the years ended December 31, 2025 and 2024, was \$45,389 and \$41,170, respectively. The sponsor's policy is to fund contributions as they become payable.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

14. RELATED PARTY TRANSACTIONS

The following related-party transactions are recorded in the accompanying financial statements for the years ended December 31, 2025 and 2024:

<u>Relationship to Organization</u>	<u>Transaction</u>	<u>2025</u>	<u>2024</u>
Treasurer of the Board of Managers	Investment advisory services through employer of Treasurer on behalf of the Organizations	\$ 342,791	\$ 327,184
President of the Society, Member of the Board of Directors	Grant disbursed to the Global Federation of Animal Sanctuaries	\$ 26,000	\$ 26,000

15. SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 20, 2026, the date the consolidated financial statements were available to be issued.

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Financial Position
December 31, 2025

	The American Anti-Vivisection Society	Alternatives Research and Development Foundation	Total
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and Cash Equivalents	\$ 3,562,188	\$ 2,323,228	\$ 5,885,416
Estates and Trusts Receivable	304,590	18,069	322,659
Prepaid Expenses	107,019	3,250	110,269
Due from (to) Affiliate	74,600	(74,600)	-
Property and Equipment, Net	13,598	300	13,898
Right of Use Assets, Operating Leases	189,670	25,160	214,830
Long-Term Investments	34,113,515	14,287,793	48,401,308
Beneficial Interest in Perpetual Trusts	1,672,257	466,206	2,138,463
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 40,037,437</u>	<u>\$ 17,049,406</u>	<u>\$ 57,086,843</u>
Liabilities and Net Assets			
Liabilities			
Accounts Payable	\$ 41,264	\$ 190	\$ 41,454
Other Payable	-	5,452	5,452
Accrued Compensation and Related Items	55,619	-	55,619
Deferred Dues Revenue	-	-	-
Lease Obligations	189,670	25,160	214,830
Grants Payable	1,628,779	-	1,628,779
Gift Annuities Payable	43,960	-	43,960
Total Liabilities	<u>1,959,292</u>	<u>30,802</u>	<u>1,990,094</u>
Net Assets			
Without Donor Restrictions	35,643,401	14,738,597	50,381,998
With Donor Restrictions	2,434,744	2,280,007	4,714,751
Total Net Assets	<u>38,078,145</u>	<u>17,018,604</u>	<u>55,096,749</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Net Assets	<u>\$ 40,037,437</u>	<u>\$ 17,049,406</u>	<u>\$ 57,086,843</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Financial Position
December 31, 2024

	The American Anti-Vivisection Society	Alternatives Research and Development Foundation	Total
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and Cash Equivalents	\$ 3,353,944	\$ 2,306,557	\$ 5,660,501
Estates and Trusts Receivable	195,776	18,069	213,845
Prepaid Expenses	78,862	3,250	82,112
Due from (to) Affiliate	202	(202)	-
Property and Equipment, Net	24,693	900	25,593
Right of Use Assets, Operating Leases	306,314	40,258	346,572
Long-Term Investments	32,056,501	14,050,290	46,106,791
Beneficial Interest in Perpetual Trusts	1,530,250	429,352	1,959,602
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 37,546,542</u>	<u>\$ 16,848,474</u>	<u>\$ 54,395,016</u>
Liabilities and Net Assets			
Liabilities			
Accounts Payable	\$ 19,150	\$ 608	\$ 19,758
Other Payable	-	3,069	3,069
Accrued Compensation and Related Items	50,000	-	50,000
Deferred Dues Revenue	99,060	-	99,060
Lease Obligations	306,314	40,258	346,572
Grants Payable	1,696,297	-	1,696,297
Gift Annuities Payable	46,582	-	46,582
Total Liabilities	<u>2,217,403</u>	<u>43,935</u>	<u>2,261,338</u>
Net Assets			
Without Donor Restrictions	33,086,318	14,624,283	47,710,601
With Donor Restrictions	2,242,821	2,180,256	4,423,077
Total Net Assets	<u>35,329,139</u>	<u>16,804,539</u>	<u>52,133,678</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Net Assets	<u>\$ 37,546,542</u>	<u>\$ 16,848,474</u>	<u>\$ 54,395,016</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Activities - Without Donor Restrictions
Year Ended December 31, 2025

	The American Anti-Vivisection Society	Alternatives Research and Development Foundation	Total
	<u> </u>	<u> </u>	<u> </u>
Revenues and Support			
Bequests	\$ 762,291	\$ -	\$ 762,291
Contributions and Grants	493,408	29,690	523,098
Income from Long-Term Investments	502,549	75,279	577,828
Investment Income from Perpetual Trusts	46,448	18,000	64,448
Dues	252,720	-	252,720
Gains on Long-Term Investments	2,814,555	759,344	3,573,899
Other Income	143,001	-	143,001
Net Assets Released from Restrictions			
Satisfaction of Purpose Restrictions	122,917	31,687	154,604
Total Revenues and Support	<u>5,137,889</u>	<u>914,000</u>	<u>6,051,889</u>
Expenses			
Program Services			
Campaigns and Outreach	1,077,551	-	1,077,551
Animalearn	309,745	-	309,745
Leaping Bunny	472,340	-	472,340
Alternatives Research	-	751,037	751,037
Total Program Services	<u>1,859,636</u>	<u>751,037</u>	<u>2,610,673</u>
Support Services			
General and Administrative	268,403	41,220	309,623
Fundraising	452,767	7,429	460,196
Total Support Services	<u>721,170</u>	<u>48,649</u>	<u>769,819</u>
Total Expenses	<u>2,580,806</u>	<u>799,686</u>	<u>3,380,492</u>
Change in Net Assets	2,557,083	114,314	2,671,397
Net Assets			
Beginning of Year	<u>33,086,318</u>	<u>14,624,283</u>	<u>47,710,601</u>
End of Year	<u>\$ 35,643,401</u>	<u>\$ 14,738,597</u>	<u>\$ 50,381,998</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Activities - Without Donor Restrictions
Year Ended December 31, 2024

	The American Anti-Vivisection Society	Alternatives Research and Development Foundation	Total
	<u> </u>	<u> </u>	<u> </u>
Revenues and Support			
Bequests	\$ 591,694	\$ -	\$ 591,694
Contributions and Grants	399,860	28,029	427,889
Income from Long-Term Investments	459,148	64,443	523,591
Investment Income from Perpetual Trusts	36,777	22,600	59,377
Dues	198,827	-	198,827
Gains on Long-Term Investments	3,018,508	1,961,285	4,979,793
Other Income	136,454	-	136,454
Net Assets Released from Restrictions			
Satisfaction of Purpose Restrictions	140,080	10,000	150,080
Total Revenues and Support	<u>4,981,348</u>	<u>2,086,357</u>	<u>7,067,705</u>
Expenses			
Program Services			
Campaigns and Outreach	1,475,624	-	1,475,624
Animalearn	270,122	-	270,122
Leaping Bunny	465,620	-	465,620
Alternatives Research	-	648,559	648,559
Total Program Services	<u>2,211,366</u>	<u>648,559</u>	<u>2,859,925</u>
Support Services			
General and Administrative	235,197	39,121	274,318
Fundraising	400,773	3,879	404,652
Total Support Services	<u>635,970</u>	<u>43,000</u>	<u>678,970</u>
Total Expenses	<u>2,847,336</u>	<u>691,559</u>	<u>3,538,895</u>
Change in Net Assets	2,134,012	1,394,798	3,528,810
Net Assets			
Beginning of Year	<u>30,952,306</u>	<u>13,229,485</u>	<u>44,181,791</u>
End of Year	<u>\$ 33,086,318</u>	<u>\$ 14,624,283</u>	<u>\$ 47,710,601</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Activities - With Donor Restrictions
Year Ended December 31, 2025

	The American Anti-Vivisection Society	Alternatives Research and Development Foundation	Total
	<u> </u>	<u> </u>	<u> </u>
Revenues and Support			
Contributions and Grants	\$ 79,541	\$ 50,000	\$ 129,541
Income from Long-Term Investments	11,593	44,584	56,177
Investment Income from Perpetual Trusts	61,500	-	61,500
Dues	-	-	-
Gains on Long-Term Investments	47,699	-	47,699
Gains on Beneficial Interests in Perpetual Trusts	114,507	36,854	151,361
Other Income	-	-	-
Net Assets Released from Restrictions			
Satisfaction of Purpose Restrictions	(122,917)	(31,687)	(154,604)
Total Revenues and Support	<u>191,923</u>	<u>99,751</u>	<u>291,674</u>
 Change in Net Assets	 191,923	 99,751	 291,674
 Net Assets			
Beginning of Year	<u>2,242,821</u>	<u>2,180,256</u>	<u>4,423,077</u>
 End of Year	 <u><u>\$ 2,434,744</u></u>	 <u><u>\$ 2,280,007</u></u>	 <u><u>\$ 4,714,751</u></u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Activities - With Donor Restrictions
Year Ended December 31, 2024

	The American Anti-Vivisection Society	Alternatives Research and Development Foundation	Total
	<u> </u>	<u> </u>	<u> </u>
Revenues and Support			
Contributions and Grants	\$ 103,366	\$ 1,205,000	\$ 1,308,366
Income from Long-Term Investments	11,289	11,216	22,505
Investment Income from Perpetual Trusts	33,000	-	33,000
Dues	-	-	-
Gains on Long-Term Investments	39,393	-	39,393
Gains on Beneficial Interests in Perpetual Trusts	104,007	14,757	118,764
Other Income	-	-	-
Net Assets Released from Restrictions			
Satisfaction of Purpose Restrictions	(140,080)	(10,000)	(150,080)
Total Revenues and Support	<u>150,975</u>	<u>1,220,973</u>	<u>1,371,948</u>
 Change in Net Assets	 150,975	 1,220,973	 1,371,948
 Net Assets			
Beginning of Year	<u>2,091,846</u>	<u>959,283</u>	<u>3,051,129</u>
 End of Year	 <u>\$ 2,242,821</u>	 <u>\$ 2,180,256</u>	 <u>\$ 4,423,077</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Functional Expenses
Year Ended December 31, 2025

	<u>Program Services</u>			<u>General and Administrative</u>			<u>Fundraising</u>			<u>Total</u>
	<u>Alternatives</u>		<u>Total</u>	<u>Alternatives</u>		<u>Total</u>	<u>Alternatives</u>		<u>Total</u>	
	<u>The American Anti-Vivisection Society</u>	<u>Research and Development Foundation</u>		<u>The American Anti-Vivisection Society</u>	<u>Research and Development Foundation</u>		<u>The American Anti-Vivisection Society</u>	<u>Research and Development Foundation</u>		
Grants and Contributions	\$ 417,946	\$ 432,731	\$ 850,677	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 850,677
Salaries and Related Expenses	761,793	35,584	797,377	162,492	18,195	180,687	176,394	7,303	183,697	1,161,761
Professional Services and Consultants	243,017	215,195	458,212	44,421	19,236	63,657	10,072	53	10,125	531,994
Occupancy and Related Expenses	108,589	18,890	127,479	19,730	658	20,388	15,784	-	15,784	163,651
General Operating Expenses	75,307	9,796	85,103	41,264	3,051	44,315	40,142	73	40,215	169,633
Communications and Educational Materials	166,296	4,706	171,002	403	33	436	154,214	-	154,214	325,652
Conferences and Travel	49,186	33,957	83,143	-	-	-	-	-	-	83,143
Postage and Shipping	37,502	178	37,680	93	47	140	56,161	-	56,161	93,981
Total	<u>\$ 1,859,636</u>	<u>\$ 751,037</u>	<u>\$ 2,610,673</u>	<u>\$ 268,403</u>	<u>\$ 41,220</u>	<u>\$ 309,623</u>	<u>\$ 452,767</u>	<u>\$ 7,429</u>	<u>\$ 460,196</u>	<u>\$ 3,380,492</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Functional Expenses
Year Ended December 31, 2024

	<u>Program Services</u>			<u>General and Administrative</u>			<u>Fundraising</u>			<u>Total</u>
	<u>The American Anti-Vivisection Society</u>	<u>Alternatives Research and Development Foundation</u>	<u>Total</u>	<u>The American Anti-Vivisection Society</u>	<u>Alternatives Research and Development Foundation</u>	<u>Total</u>	<u>The American Anti-Vivisection Society</u>	<u>Alternatives Research and Development Foundation</u>	<u>Total</u>	
Grants and Contributions	\$ 914,216	\$ 413,605	\$ 1,327,821	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,327,821
Salaries and Related Expenses	631,736	36,572	668,308	153,544	14,172	167,716	159,177	3,819	162,996	999,020
Professional Services and Consultants	215,471	149,651	365,122	41,372	23,787	65,159	3,941	34	3,975	434,256
Occupancy and Related Expenses	89,812	18,338	108,150	18,974	633	19,607	15,180	-	15,180	142,937
General Operating Expenses	74,413	9,849	84,262	20,807	454	21,261	37,497	26	37,523	143,046
Communications and Educational Materials	169,439	1,582	171,021	380	32	412	134,620	-	134,620	306,053
Conferences and Travel	57,272	18,919	76,191	-	-	-	-	-	-	76,191
Postage and Shipping	59,007	43	59,050	120	43	163	50,358	-	50,358	109,571
Total	\$ 2,211,366	\$ 648,559	\$ 2,859,925	\$ 235,197	\$ 39,121	\$ 274,318	\$ 400,773	\$ 3,879	\$ 404,652	\$ 3,538,895

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Cash Flows
Year Ended December 31, 2025

	The American Anti-Vivisection Society	Alternatives Research and Development Foundation	Total
Cash Flows from Operating Activities			
Change in Net Assets	\$ 2,749,006	\$ 214,065	\$ 2,963,071
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities			
Depreciation	11,095	600	11,695
Gains on Long Term Investments	(2,862,254)	(759,344)	(3,621,598)
Gain on Beneficial Interest in Perpetual Trust	(114,507)	(36,854)	(151,361)
Operating Lease Expense	116,644	15,098	131,742
Change in Assets and Liabilities			
(Increase) Decrease in			
Receivables From Estates and Trusts	(108,814)	-	(108,814)
Prepaid Expenses	(28,157)	-	(28,157)
Due to (from) Affiliate, Net	(74,398)	74,398	-
Increase (Decrease) in			
Accounts Payable	22,114	(418)	21,696
Other Payable	-	2,383	2,383
Accrued Compensation and Related Items	5,619	-	5,619
Deferred Dues Revenue	(99,060)	-	(99,060)
Grants Payable	(67,518)	-	(67,518)
Operating Lease Obligation	(116,644)	(15,098)	(131,742)
Gift Annuities Payable	(2,622)	-	(2,622)
Net Cash Used in Operating Activities	<u>(569,496)</u>	<u>(505,170)</u>	<u>(1,074,666)</u>
Cash Flows from Investing Activities			
Purchase of Property and Equipment	-	-	-
Proceeds from Sale and Maturities of Investments	9,853,123	3,476,058	13,329,181
Purchase of Investments	(9,047,883)	(2,954,217)	(12,002,100)
Contribution of Beneficial Interest in Perpetual Trust	(27,500)	-	(27,500)
Net Cash Provided by Investing Activities	<u>777,740</u>	<u>521,841</u>	<u>1,299,581</u>
Net Increase in Cash and Cash Equivalents	208,244	16,671	224,915
Cash and Cash Equivalents			
Beginning of Year	<u>3,353,944</u>	<u>2,306,557</u>	<u>5,660,501</u>
End of Year	<u>\$ 3,562,188</u>	<u>\$ 2,323,228</u>	<u>\$ 5,885,416</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Cash Flows
Year Ended December 31, 2025

	<u>The American Anti-Vivisection Society</u>	<u>Alternatives Research and Development Foundation</u>	<u>Total</u>
Supplemental Disclosure of Cash Flow Information			
Cash Paid for Amounts Included in			
Operating Lease Obligation	<u>\$ 126,950</u>	<u>\$ 16,420</u>	<u>\$ 143,370</u>
Supplemental Schedule of Noncash Investing and Financing Activities			
Right-of-Use Assets Obtained in Exchange for New			
Operating Lease Obligation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Cash Flows
Year Ended December 31, 2024

	The American Anti-Vivisection Society	Alternatives Research and Development Foundation	Total
Cash Flows from Operating Activities			
Change in Net Assets	\$ 2,284,987	\$ 2,615,771	\$ 4,900,758
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities			
Depreciation	14,574	600	15,174
Gains on Long Term Investments	(3,057,901)	(1,961,285)	(5,019,186)
Gain on Beneficial Interest in Perpetual Trusts	(104,007)	(14,757)	(118,764)
Operating Lease Expense	115,627	14,951	130,578
Change in Assets and Liabilities			
(Increase) Decrease in			
Receivables From Estates and Trusts	27,477	-	27,477
Prepaid Expenses	(7,345)	108	(7,237)
Due to (from) Affiliate, Net	(208)	208	-
Increase (Decrease) in			
Accounts Payable	(1,372)	(6,888)	(8,260)
Other Payable	-	3,069	3,069
Accrued Compensation and Related Items	7,176	-	7,176
Deferred Dues Revenue	(19,648)	-	(19,648)
Grants Payable	297,592	-	297,592
Operating Lease Obligation	(115,627)	(14,951)	(130,578)
Gift Annuities Payable	(2,824)	-	(2,824)
Net Cash Provided by (Used in) Operating Activities	<u>(561,499)</u>	<u>636,826</u>	<u>75,327</u>
Cash Flows from Investing Activities			
Purchase of Property and Equipment	(9,764)	-	(9,764)
Proceeds from Sale and Maturities of Investments	8,887,842	3,073,648	11,961,490
Purchase of Investments	(8,184,793)	(2,528,276)	(10,713,069)
Contribution of Beneficial Interest in Perpetual Trust	(5,000)	-	(5,000)
Net Cash Provided by Investing Activities	<u>688,285</u>	<u>545,372</u>	<u>1,233,657</u>
Net Increase in Cash and Cash Equivalents	126,786	1,182,198	1,308,984
Cash and Cash Equivalents			
Beginning of Year	<u>3,227,158</u>	<u>1,124,359</u>	<u>4,351,517</u>
End of Year	<u>\$ 3,353,944</u>	<u>\$ 2,306,557</u>	<u>\$ 5,660,501</u>

THE AMERICAN ANTI-VIVISECTION SOCIETY
Consolidating Statement of Cash Flows
Year Ended December 31, 2024

	The American Anti-Vivisection Society	Alternatives Research and Development Foundation	Total
Supplemental Disclosure of Cash Flow Information			
Cash Paid for Amounts Included in Operating Lease Obligation	\$ 120,459	\$ 15,550	\$ 136,009
Supplemental Schedule of Noncash Investing and Financing Activities			
Right-of-Use Assets Obtained in Exchange for New Operating Lease Obligation	\$ 339,771	\$ 46,527	\$ 386,298